



Committee report

Committee	ANNUAL COUNCIL
Date	15 MAY 2013
Title	PROCESS FOR APPOINTMENT OF HEAD OF PAID SERVICE ROLE
Report of	MONITORING OFFICER

EXECUTIVE SUMMARY

1. On 27 February 2013, Council agreed to the deletion of the Chief Executive post with effect from 31 March 2013 as part of the budget savings. However, the Council is required to have an officer in the statutory role of Head of Paid Service, and so a planned approach to meeting this requirement and related obligations was agreed. The purpose of this report is to seek the Council's confirmation of the process to appoint a Head of Paid Service agreed by Employment Committee at its meeting on 11 March 2013.

BACKGROUND

2. The budget for 2013/14, recommended by Cabinet on 12 February 2013 and agreed by the Council on 27 February 2013, agreed to the deletion of the Chief Executive post with effect from 31 March 2013. The Council is required to make provision for the statutory role of the Head of Paid Service and so it is necessary to determine appropriate arrangements for these responsibilities to continue to be fulfilled. The Strategic Director of Resources was appointed by Council on 27 February 2013 as the Acting Head of Paid Service & Chief Officer with effect from 1 April 2013. As one officer cannot fulfil both the Head of Paid Service and S151 Officer (Chief Finance Officer) role, the Head of Financial Management was appointed as the Section 151 Officer for the same period until such time as new senior management arrangements are agreed.
3. It was agreed by Employment Committee on 11 March that a permanent appointment will need to be made and that the post of Head of Paid Service and Chief Officer (or an alternative title such as Managing Director), be advertised internally and ring-fenced to the existing permanent strategic directors, as part of the intention to reduce the top level of senior management from four to three posts. It is intended that the successful candidate would fulfil this new role alongside their existing service area responsibilities. Subject to the agreement of Council to this process, Employment Committee will be asked to agree a job title, person specification

and job description and the proposed salary level (which will be subject to the outcome of the agreed job evaluation process and grading structure) and to follow this process and make a recommendation for appointment to the new role. It is expected that the Employment Committee's recommendation will then be placed before the Council meeting in June 2013 for decision. Depending on the outcome of this process a revised Chief Officer Structure will be developed, which would take into account the scope and nature of the responsibilities that would sit under the new Head of Paid Service.

STRATEGIC CONTEXT

4. The senior management structure of the Council needs to continue delivering savings and reflect what is affordable within the current economic climate whilst retaining the highest possible calibre individuals necessary to provide strategic leadership in the delivery of the Council's key priorities. It is also necessary to demonstrate that there is the required capacity to ensure that the Council's statutory duties continue to be met.

FINANCIAL BUDGET IMPLICATIONS

5. The deletion of the Chief Executive post, along with related officer support costs, secures £210K of ongoing savings. However, there is likely to be additional costs associated with the expanded role of one of the Strategic Directors, as set out above and these costs will have to be offset against the £210K. There were no additional costs associated with the Acting Head of Paid Service and Chief Officer arrangements being undertaken by the Strategic Director of Resources, or the Section 151 Officer arrangement being undertaken on an acting basis by the Head of Financial Management.

LEGAL IMPLICATIONS

6. Part 1, Section 4 of the Local Government and Housing Act 1989 sets out the duty of the Council to designate an officer as the Head of Paid Service. Under the Council's constitution this appointment can only be made by Full Council. On 27 March 2013 the Council agreed to the deletion of the post of Chief Executive (which is also currently the Head of Paid Service) with effect from 31 March 2013 and the appointment of the Strategic Director of Resources as Acting Head of Paid Service & Chief Officer with effect from 1 April 2013 until such time as new senior management arrangements are agreed for implementation through decisions made by Annual Council on 15 May 2013.
7. Section 6 of the same legislation also sets out the requirement to make arrangements for the proper administration of the local authority's financial affairs and to ensure that an officer who is appropriately qualified is responsible for the administration of those affairs. This is commonly known as the Section 151 Officer. The statute also dictates that the Section 151 Officer cannot also be the Head of Paid Service. Under the Council's constitution this appointment also can only be made by Full Council. On 27 February 2013 the Council agreed that the Head of Financial Management is appointed as Section 151 Officer for the period referred to in paragraph 6 above, after which time it will revert to the Strategic Director of Resources.

8. There must be a transparent and systematic recruitment process for both internal and external appointments and authorities must take account of the duty to make appointments on merit in accordance with Section 7 of the Act. There is no statutory requirement to advertise a post. Where a management restructure results in the deletion of a post and the reallocation of responsibilities, it is usual for there to be a process of appointment ring-fenced to consider appropriate internal candidates only.
9. Under the terms of reference for the Employment Committee, there is provision for its members to:
 - (a) Make recommendation to Full Council in respect of the appointment of the Head of Paid Service and Section 151 Officer;
 - (b) To be consulted on any proposal to appoint interim Directors and Heads of Service, including the associated remuneration package and to carry out regular reviews of the agreed contractual outputs and performance outcomes;
 - (c) To advise the Council and Cabinet on the requirements for and the availability of human resources necessary for the fulfilment of Council policies;
 - (d) To agree the recruitment to all posts at head of service level or above.

EQUALITY AND DIVERSITY

10. The Council has a legal duty under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender re-assignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation and marriage and civil partnership. The arrangements proposed in this report do not breach the statutory duty.

OPTIONS

11. The Council has a number of options:
 - (a) Option One: Endorse the previous decision by Council and confirm the intended arrangements for the appointment of a permanent Head of Paid Service and Chief Officer.
 - (b) Option Two: Not to endorse the previous decision by Council and not to confirm the intended arrangements for the appointment of a permanent Head of Paid Service and Chief Officer.
 - (c) Option Three: To agree alternative arrangements for the appointment of a Head of Paid Service.

RISK MANAGEMENT

12. With regard to the proposed changes to the top level of corporate senior management, any decision to defer an appointment could limit the ability of the members elected for the 2013-17 council term to implement and deliver a

set of agreed priorities for these four years. Having a permanent Head of Paid Service will place the Council in a clear position to move forward on the challenging agenda to achieve further savings and have robust plans in place for 2014/15 and beyond and to delivered a lawful and balanced budget and improved services for Island residents.

EVALUATION

13. It is important that there is an appointment to a permanent Head of Paid Service post to enable the future senior management arrangements to be agreed so senior officers can work with a new administration to deliver their objectives.

RECOMMENDATIONS

14. To consider the options.

Contact Point: Davina Fiore, Deputy Director of Resources and Monitoring Officer
☎ 821000 e-mail Davina.fiore@iow.gov.uk

DAVINA FIORE
*Deputy Director of Resources and
Monitoring Officer*